

India and the SCO: All is Not Well

C Raja Mohan

Summary

The curtailment of the planned two-day Shanghai Cooperation Organisation summit in Delhi in early July 2023 into a brief three-hour online engagement and the significant divergence between India and some other members underline the diminishing utility of the forum in India's geopolitical calculus.

Joining the Shanghai Cooperation Organisation (SCO), founded in 2001, has been one of India's major diplomatic objectives in the 21st century. After it became a full member of the SCO in 2017, India had the opportunity to host the SCO summit for the first time in Delhi from 3 to 4 July 2023. What came through from the summit was not a diplomatic celebration but the unmistakable sense that the SCO might have become a <u>political</u> <u>headache for New Delhi</u>.

India's decision to turn the two-day summit planned into a short online session surprised most diplomatic observers in New Delhi. There was widespread expectation that Russian leader Vladimir Putin and Chinese President Xi Jinping would visit Delhi and showcase the diversity of India's multi-alignment. Holding the summit soon after Prime Minister Narendra Modi's visit to the United States (US) would also have underlined India's <u>enduring</u> <u>commitment to strategic autonomy</u> in its foreign policy.

On his part, Putin would have loved to be seen among friends at the SCO summit. Russia had no reason to worry that the SCO would criticise Putin's invasion of Ukraine. However, the situation would be very different at the G20 summit that Delhi is scheduled to host in September 2023. The Western members of the G20 have made no secret of their desire to make it as uncomfortable as possible for Putin at the G20 summit if he does show up.

If the truncated summit was a missed opportunity for Putin, Xi might have found himself in an awkward situation in Delhi, given the poor state of the bilateral relationship with India. Since China's unexpected military ingress into the Ladakh region in the summer of 2020, Delhi has been unwilling to engage in a political dialogue with Beijing. India has had several rounds of military dialogue with China to restore the status quo on the border but without significant success.

The virtual summit underlined the Sino-Indian differences go beyond the continuing tensions on the disputed border. India refused to endorse China's Belt and Road Initiative (BRI) in the joint statement issued by the leaders of the SCO. Although the rest of the SCO strongly backed China's BRI, Delhi stuck to its well-known rejection of the initiative because it pushed countries into debt traps and was environmentally unsustainable.

India, in the past, had <u>strongly criticised the BRI</u> because its flagship initiative, the China-Pakistan Economic Corridor (CPEC) running through the contested Kashmir territory violates India's sovereignty and territorial integrity. India also <u>refused to sign the SCO's Economic</u> <u>Development Strategy 2030</u> because it reportedly had too much of a Chinese imprint.

If India has severe reservations about the nature of China's rapidly growing regional economic clout, Islamabad's commercial embrace of Beijing makes it that much worse. Pakistan's Prime Minister Shehbaz Sharif <u>told the SCO summit</u> that the CPEC "can be a force multiplier not only for regional connectivity but also for regional stability, peace and prosperity". India's differences with Pakistan, however, are far deeper than the CPEC and include questions of terrorism and Kashmir, which were on display at the SCO summit. To be sure, the SCO issued a ringing joint statement – the Delhi Declaration – calling for more intensive cooperation against "terrorism, separatism, extremism". However, Delhi has no confidence that this adds any political pressure on Pakistan to stop sponsoring cross-border terrorism against India. Calling on the SCO to intensify cooperation against terrorism in all its manifestations, Modi, <u>in a pointed reference to Pakistan</u>, said, "Some countries use cross-border terrorism as an instrument of their policies, provide shelter to terrorists". He demanded that the "SCO should not hesitate to criticise such nations. There should be no place for double standards on such serious matters."

Modi's remarks did not go unchallenged by Pakistan. Sharif told the SCO summit that concerns about terrorism should not be used as a "cudgel for diplomatic point scoring". In an oblique critique of the Modi government, Sharif added that "religious minorities should never be demonised in the pursuit of domestic political agendas". Although the SCO forum bars the countries from taking up bilateral issues, Sharif found a way to highlight the Kashmir issue by calling for respect to the fundamental rights of all peoples, "including those under occupation" and emphasising the principle of "self-determination".

Although official Delhi is unlikely to abandon the SCO as an important regional forum, there are <u>growing doubts about its utility</u> in pursuing India's core interests. More broadly, the geopolitical context that gave birth to the SCO and India's quest for its membership no longer obtains. In the mid-1990s and early 2000s, Delhi had shared concerns with Moscow and Beijing about the dangers of a unipolar movement. Working with Russia and China in the region and the world was seen in India as a useful hedge against American unilateralism. Today, the US has become India's most strategic partner, while Delhi's concerns about Chinese expansionism have steadily grown. To India's discomfort, its long-standing strategic partner, Russia, has also moved closer to China.

Although Delhi has fewer reasons now to work with Moscow and Beijing against Washington, it is eager to raise its profile in Central Asia. It is not clear, however, if the SCO is the best format for India's engagement with a region that is dominated by Russia and China. As the Central Asian states look to diversify their strategic partnerships, India has begun to seek <u>deeper engagement</u> with them outside the SCO.

Professor C Raja Mohan is a Visiting Research Professor at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore (NUS). He can be contacted at <u>crmohan@nus.edu.sg</u>. The author bears full responsibility for the facts cited and opinions expressed in this paper.

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